

**SERIAL 03114 -IGA**

**PACKAGE DELIVERY SERVICE-EXPRESS AND**

**AD030018**

**CONTRACT PERIOD BEGINNING 07/01/2003 ENDING 02/29/2004**

TO: All Departments

FROM: Department of Materials Management

SUBJECT: Contract for **PACKAGE DELIVERY SERVICE-EXPRESS AND  
GROUND**

Attached to this letter is a listing of vendors available to Maricopa County Agencies utilizing the Arizona State Procurement Office Contract AD030018. The using agency and other interested parties may access and electronic version of this contract from the Materials Management Web site at:

[http://www.maricopa.gov/materials/Awarded\\_Contracts/search.asp](http://www.maricopa.gov/materials/Awarded_Contracts/search.asp).

**Please note: Price Agreement Purchase Orders (PG documents) may be generated using the information from this list. Use Commodity Code(s) B0604816.**

All purchases of product(s) listed on the attached pages of this letter are to be obtained from the listed contractor(s).





## Contract Summary

### State Procurement Office

100 N. 15th Ave

Suite 104

Phoenix, AZ 85007-3223

Contract No.: AD030018 - 001

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**CONTRACT TITLE:** Package Delivery Service - Express and Ground

**CONTRACT TYPE:** Statewide Contract

**CONTRACT PERIOD:** March 01, 2003

**THRU:** February 29, 2004

**CONTRACTOR NUMBER:** 710427007 - 902

**CONTRACTOR NAME:** Federal Express Corporation

**CONTACT NAME :** Cheryl Laney

**ADDRESS:** P.O. Box 727

Memphis, TX 38194

**TELEPHONE:** (817) 237-1426

**FAX NUMBER:** (817) 682-6827

**CONTRACTING AGENCY:** State Procurement Office

**CONTACT NAME:** Pete Mahnke

**TELEPHONE:** (602) 542-9121

**PAYMENT TERMS:** Net 30 Days



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### 1. Definition of Terms

As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

- A. *"Attachment"* means any item the Solicitation requires the Offeror to submit as part of the Offer.
- B. *"Contract"* means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments; and any terms applied by law.
- C. *"Contract Amendment"* means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
- D. *"Contractor"* means any person who has a Contract with the State.
- E. *"Days"* means calendar days unless otherwise specified.
- F. *"Exhibit"* means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
- G. *"Gratuity"* means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
- H. *"Offer"* means bid, proposal or quotation.
- I. *"Offeror"* means a vendor who responds to any type of Solicitation.
- J. *"Procurement Officer"* means the person duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract or their designee.
- K. *"Solicitation"* means an Invitation for Bids (IFB), a Request for Proposals (RFP), or a Request for Quotations (RFQ).
- L. *"Solicitation Amendment"* means a written document that is authorized by the Procurement Officer and issued for the purpose of making changes to the Solicitation.
- M. *"Subcontract"* means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.
- N. *"State"* means the State of Arizona and Department or Agency of the State that executes the Contract.

### 2. Contract Interpretation

- A. Arizona Law. The law of Arizona applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.
- B. Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.
- C. Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:
  - 1. Special Terms and Conditions;
  - 2. Uniform Terms and Conditions;
  - 3. Statement or Scope of Work;
  - 4. Specifications;
  - 5. Attachments;
  - 6. Exhibits;
  - 7. Documents referenced or included in the Solicitation.
- D. Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- E. Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.



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- F. No Parol Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document.
- G. No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

### 3. Contract administration and operation

- A. Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other records ("records") relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.
- B. Non-Discrimination. The Contractor shall comply with State Executive Order No. 99-4 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.
- C. Audit. Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.
- D. Inspection and Testing. The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes for producing the materials, at reasonable times for inspection of the materials covered under this Contract. The State shall also have the right to test at its own cost the materials to be supplied under this Contract. Neither inspection at the Contractor's facilities nor testing shall constitute final acceptance of the materials. If the State determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.
- E. Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice and an amendment to the Contract shall not be necessary.
- F. Advertising and Promotion of Contract. The Contractor shall not advertise or publish information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.
- G. Property of the State. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.

### 4. Costs and Payments

- A. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.
- B. Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all delivery and unloading at the destinations.
- C. Applicable Taxes.
1. Payment of Taxes by the State. The State shall pay only the rate and/or amount of taxes identified in the Offer and in any resulting Contract.
  2. State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect taxes from the buyer does not relieve the seller from its obligation to remit taxes.
  3. Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.
  4. IRS W9 Form. In order to receive payment under any resulting Contract, Contractor shall have a current IRS W9 Form on file with the State of Arizona.



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5. Availability of Funds for the Next Fiscal Year. Funds may not presently be available for performance under this Contract beyond the current fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current fiscal year until funds are made available for performance of this Contract. The State shall make reasonable efforts to secure such funds.

### 5. Contract changes

- A. Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract unless otherwise permitted by the Special Terms and Conditions. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by an unauthorized State employee or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.
- B. Subcontracts. The Contractor shall not enter into any Subcontract under this Contract without the advance written approval of the Procurement Officer. The Subcontract shall incorporate by reference the terms and conditions of this Contract.
- C. Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

### 6. Risk and Liability

- A. Risk of Loss. The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.
- B. General Indemnification. To the extent permitted by A.R.S. § 41-621 and § 35-154, the State of Arizona shall be indemnified and held harmless by the Contractor for its vicarious liability as a result of entering into this Contract. Each party to this Contract is responsible for its own negligence.
- C. Indemnification - Patent and Copyright. To the extent permitted by A.R.S. § 41-621 and § 35-154, the Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph.
- D. Force Majeure.
- Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.
  - Force Majeure shall not include the following occurrences:
    - Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;
    - Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or
    - Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.
  - If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.



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4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

E. Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

### 7. Warranties

A. Liens. The Contractor warrants that the materials supplied under this Contract are free of liens.

B. Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:

1. Of a quality to pass without objection in the trade under the Contract description;
2. Fit for the intended purposes for which the materials are used;
3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;
4. Adequately contained, packaged and marked as the Contract may require; and
5. Conform to the written promises or affirmations of fact made by the Contractor.

C. Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

D. Inspection/Testing. The warranties set forth in subparagraphs A through C of this paragraph are not affected by inspection or testing of or payment for the materials by the State.

E. Year 2000.

1. Notwithstanding any other warranty or disclaimer of warranty in this Contract, the Contractor warrants that all products delivered and all services rendered under this Contract shall comply in all respects to performance and delivery requirements of the specifications and shall not be adversely affected by any date-related data Year 2000 issues. This warranty shall survive the expiration or termination of this Contract. In addition, the defense of *force majeure* shall not apply to the Contractor's failure to perform specification requirements as a result of any date-related data Year 2000 issues.
2. Additionally, notwithstanding any other warranty or disclaimer of warranty in this Contract, the Contractor warrants that each hardware, software, and firmware product delivered under this Contract shall be able to accurately process date/time data (including but not limited to calculation, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations, to the extent that other information technology utilized by the State in combination with the information technology being acquired under this Contract properly exchanges date-time data with it. If this Contract requires that the information technology products being acquired perform as a system, or that the information technology products being acquired perform as a system in combination with other State information technology, then this warranty shall apply to the acquired products as a system. The remedies available to the State for breach of this warranty shall include, but shall not be limited to, repair and replacement of the information technology products delivered under this Contract. In addition, the defense of *force majeure* shall not apply to the failure of the Contractor to perform any specification requirements as a result of any date-related data Year 2000 issues.

F. Exclusions. Except as otherwise set forth in this Contract, there are no express or implied warranties of merchantability or fitness.

G. Compliance With Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.

H. Survival of Rights and Obligations after Contract Expiration or Termination.

1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.
2. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.



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### 8. State's Contractual Remedies

- A. Right to Assurance. If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions.
- B. Stop Work Order.
1. The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for a period of ninety (90) Days after the order is delivered to the Contractor, and for any further period to which the parties may agree. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.
  2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.
- C. Non-exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.
- D. Nonconforming Tender. Materials supplied under this Contract shall fully comply with the Contract. The delivery of materials or a portion of the materials in an installment that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.
- E. Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

### 9. Contract Termination

- A. Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.
- B. Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.
- C. Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body.
- D. Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the State without penalty or recourse. Upon receipt of the written notice, the Contractor shall immediately stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.
- E. Termination for Default.
1. In addition to the rights reserved in the Uniform Terms and Conditions, the State reserves the right to terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and





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maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

2. Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.
3. The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.

F. Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10. **Contract Claims**. All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

11. **Comments Welcome**. The State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments you may have. Please submit your comments to the State Procurement Administrator, State Procurement Office, 100 North 15th Avenue, Suite 104, Phoenix, Arizona, 85007.



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### Eligible Agencies (Statewide)

Any contract resulting from this solicitation shall be for the use of All State of Arizona departments, agencies and boards. In addition, eligible universities, political subdivisions and nonprofit educational or public health institutions may participate at their discretion. In order to participate in any resultant contract, a university, political subdivision, or nonprofit educational or public health institution must have entered into a cooperative purchasing agreement with the State Procurement Office as required by Arizona Revised Statutes 41-2642.

### Contract Type

Fixed price, term, indefinite quantity.

### Term of Contract (One Year)

The term of the resultant contract shall commence upon award or as specified in the award documents and shall remain in effect for one year unless terminated, canceled, or extended as otherwise provided herein.

### Contract Extension (Months)

The contractor agrees that the State of Arizona shall have the right, at its sole option, to renew the contract for supplemental periods of up to a maximum of 48 months. In the event that the state exercises such right, all terms, conditions and provisions of the original contract shall remain the same and apply during the renewal period with the exception of price (reference price adjustment provision).

### Established Catalog/Price List

This contract is based on the contractor's established catalog /price list for the commodities or services contained herein.

### Established Catalog Price; Definition

For the purpose of this contract, an established catalog price means the price included in a catalog, price list, schedule or other form that:

- Is regularly maintained by a manufacturer, distributor or contractor.
- Is either published or otherwise available for inspection by customers.
- States prices at which sales are currently or were last made to a significant number of any category of buyers or buyers constituting the general buying public for the materials or services involved.

On any contract where pricing is based on an established catalog or price list (see definition) such established catalog or price list must be provided by the contractor(s) as part of the bid package in hard copy form.

### Estimated Quantities (General)

This contract references quantities as a general indication of the needs of the State. However, the quantities shown are estimates only and the State reserves the right to increase or decrease any quantities actually acquired. No commitment of any kind is made concerning quantities. Each potential contractor should take this fact into consideration.

### Ordering Process

Upon award of a contract by the State Procurement Office, any designated agency, eligible political subdivision or eligible nonprofit educational or public health institution may procure the specific material and/or service awarded by the issuance of a contract release order/purchase order to the appropriate contractor. Each contract release order/purchase order must cite the correct Arizona contract number. The contract release order/purchase order for the awarded material and/or service that cites the correct Arizona contract number is the only document required by the agency to order and the contractor to deliver the material and/or service.

Any attempt to represent any material and/or service not specifically awarded as being under contract with the State of Arizona is a violation of the contract and the Arizona Procurement Code. Any such action is subject to the legal and contractual remedies available to the State inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.

### Credit/Purchasing Card Ordering

Any authorized agency may procure the specific material and/or service awarded by utilizing the card as a method of ordering/payment with the awarded contractor. The awarded contractor shall be responsible for ensuring compliance to all contract requirements (including contract pricing) for all credit/purchase card transactions made against any resultant contract(s).

### Optional Discount Rates



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The contractor(s) shall be responsible for disclosing and honoring all applicable discount rates contained herein (i.e. Purchasing Card, Electronic Ordering Systems, Quantity Purchase, Special Educational and Prompt Payment discounts) to state agencies/eligible political subdivisions. Disclosure shall be made during all verbal and written communications order conformations and on invoicing activities made under the resultant contract(s). Failure to disclose and include all applicable discount rates to contracted customers may result in contract cancellation.

**Billing Summary:** the Contractor(s) shall provide a monthly billing summary to each using agency, which identifies:

Each mail piece dispatched by tracking number.

Per piece cost by tracking number.

Per piece destination by tracking number.

Summary volume totals for agency mail pieces.

Summary totals of agency mail piece costs.

Agency summary listing destinations.

Summary of agency's piece volumes by department code or cost center. (if requested by agency, and if agency has submitted information in format as required by contractor).

Summary of agency mail pieces by weight category (optional if available).

The contractor(s) will be required to maintain all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting and other procedures specified by the State. Upon request, financial and accounting records shall be made available to the state of Arizona, and/or its designees, at any time during the contract period and any extension thereof.

**Compliance with Law:** The Carrier shall comply with all laws, rules and regulations (federal, state and municipal), that may have application to the transportation services provided for the Shipper, and shall indemnify and hold harmless the Shipper from and against any failure of the Carrier to comply with any such laws, rules and regulations, to the extent provided by law. The Shipper shall not be responsible to the Carrier for fines or penalties incurred by the Carrier or its employees for speeding, reckless driving or any other infraction or violation of the law, and Carrier shall hold harmless the state form and against any and all liability with respect thereto.

### Licenses

Contractor shall maintain in current status all federal, state and local licenses and permits required for the operation of the business conducted by the contractor.

### Safety Standards

All items supplied on this contract must comply with the current applicable occupational safety and health standards of the State of Arizona Industrial Commission, the National Electric Code, and the National Fire Protection Association Standards.

### Established Catalog Price, Updated or Amended Catalog/Price List to the Original:

The contractor shall supply, at no charge to the State, catalogs, price lists of covered items or notices of change to agencies and political subdivisions upon contract effective date, upon request, or as a new catalogs/price lists are incorporated into the contract. Any information supplied to requesting contract users must first be approved by the State Procurement Office (refer to Uniform Terms and Conditions, Advertising). Failure to do so may result in contract default and cancellation in accordance with Special Terms and Conditions, Contract Cancellation.

The contractor may request incorporation of a newly published, replacement catalog /price list, at any time during the contract period. Such request can only be pursued against the original publication(s) (those originally awarded to the contractor). Alternate catalogs or price lists shall not be considered. The state, at its sole discretion may allow the contractor to incorporate such newly published, replacement catalog/price list. The contractor shall request incorporation of any such newly published, replacement catalog/price list by providing the following:

1. A Formal request (on company letterhead) to incorporate a newly published, replacement catalog/price list. Such request shall also include:
  - Documentation showing the publication date and number (whichever is applicable) and revision level(s) thereof for all applicable catalogs and/or price lists to be incorporated.
  - Documentation disclosing all page numbers and item ranges of the catalog/price list to be considered (must remain within specified item grouping activities contained herein).
  - Documentation stating that the discount percent (%) shall remain the same as that originally awarded under the contract.



## Special Terms and Conditions

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- Documentation that provides clear and convincing evidence that the replacement established catalog/price list is to the original publication only (no alternate publications shall be considered).
- 2. Documentation/formal announcement from the contractor that re-affirms that the newly published or replacement catalog/price list meets the following criteria;
  - Is the official replacement to that awarded to the state.
  - Is one that is regularly maintained by a manufacturer, distributor or contractor.
  - Is either published or otherwise available for inspection by customers, and.
  - States prices at which sales are currently or were last made to a significant number of any category of buyers or buyers constituting the general buying public for the materials or services involved.
- 3. A copy of the newly published or replacement catalog/price list for the State's review and records.

All requests for incorporation of newly published, replacement catalog/price list shall be initiated 30 days in advance of any desired date of incorporation in order to allow the State sufficient time to make a fair and equitable determination to any such requests.

Changes in fuel surcharge levels shall be made available to contract customers a minimum of two weeks prior to implementation.

Incorporation of any newly published, replacement catalog/price list shall be the sole determination of the state and can only be incorporated by the issuance of a unilateral contract amendment issued by the state. If approved, the effective date of incorporation shall be as specified on the contract amendment document.

Failure by the contractor to provide or meet any of the above requirements shall result in the state not considering such requests. Further, any claims by the contractor as part of their submission found to be in error or falsified at any time during the contract period shall be subject to all legal and contractual remedies available to the state inclusive of, but not limited to contract cancellation, suspension, and/or debarment of the contractor.

### Price Reductions

Price reductions may be submitted to the state for consideration at any time during the contract period. The contractor shall offer the state a price reduction on the contract product(s) concurrent with a published price reduction made by the manufacturer to other customers. The state at its own discretion may accept a price reduction. The contractor shall request, in writing, a price reduction and provide the following:

1. A formal announcement from the manufacturer that the cost of the contract product has been reduced.
2. Documentation, i.e., published cost lists, from the manufacturer showing, to the satisfaction of the state, the actual cost reduction.
3. Documentation showing that the published cost reductions have been offered to other distributors.

### Contraband

Any person who takes into or out of, or attempts to take into or out of a correctional facility or the grounds belonging to adjacent to a correctional facility, any item not specifically authorized by the correctional facility shall be prosecuted under the provisions of the Arizona Revised Statutes. All persons, including employees and visitors, entering upon these confines are subject to routine searches of their person, vehicles, property of packages.

### DEFINITION - A.R.S. § 13-2501

Contraband means any dangerous drug, narcotic drug, intoxication liquor of any kind, deadly weapon, dangerous instrument, explosive or any other article whose use or possession would endanger the safety, security, or preservation of order in a correctional institution or any person therein. (Any other article includes any substance which could cause abnormal behavior, i.e. marijuana, non-prescription medication, etc.)

### PROMOTING PRISON CONTRABAND - A.R.S. § 13-2505

1. A person, not otherwise authorized by law, commits promoting prison contraband:



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- A. By knowingly taking contraband into a correctional facility or the grounds of such a facility; or
  - B. By knowingly conveying contraband to any person confined in a correctional facility; or
  - C. By knowingly making, obtaining or possessing contraband while being confined in a correctional facility.
2. Promoting prison contraband is a Class 5 felony.

#### Insurance

A. Without limiting any liabilities or any other obligation of the Contractor, the Contractor shall purchase and maintain, in a company or companies lawfully authorized to do business in the State of Arizona, and rated at least "A VII" in the current A.M. Best's, the minimum insurance coverage below:

1. Commercial General Liability, with minimum limits of \$1,000,000.00 per occurrence, and an unimpaired products and completed operations aggregate limit and general aggregate minimum limit of \$2,000,000.00. Coverage shall be at least as broad as the Insurance Service Office, Inc. Form CG25031185, issued on an Occurrence basis, and endorsed to add the State of Arizona as an Additional Insured with reference to this contract. The policy shall include coverage for:

Bodily Injury;

Broad Form Property Damage (including completed operations);

Personal Injury;

Blanket Contractual Liability;

Products and Completed Operations, and this coverage shall extend for one year past acceptance, cancellation or termination of the services or work defined in this contract;

Fire Legal Liability.

2. Business Automobile Liability, with minimum limits of \$1,000,000.00 per occurrence combined single limit, with Insurance Service Office, Inc. Declarations to include Symbol One (Any Auto) applicable to claims arising from bodily injury, death or property damage arising out of the ownership, maintenance or use of any auto. The policy shall be endorsed to add the State of Arizona as an Additional Insured with reference to this contract.

3. Worker's Compensation (Coverage A): Statutory Arizona benefits;

Employer's Liability (Coverage B): \$500,000.00 each accident;

\$500,000.00 each employee/disease;

\$1,000,000.00 policy limit/disease.

Policy shall include endorsement for All State coverage for state of hire.

The State of Arizona shall be named as an Additional Insured as its interests may appear.

The policy shall contain an Extended Claim Reporting Provision of not less than one year following termination of the policy.

B. The State of Arizona reserves the right to request and receive certified copies of all policies and endorsements within ten calendar days of contract signature.

C. Certificates of Insurance acceptable to the State of Arizona shall be issued and delivered prior to the commencement of the work defined in this contract, and shall identify this contract and include certified copies of endorsements naming the State of Arizona as Additional Insured for liability coverages. The certificates, insurance policies and endorsements required by this paragraph shall contain a provision that coverages afforded will not be canceled until at least 50 days prior written notice has been given to the State of Arizona. All coverages, conditions, limits and endorsements shall remain in full force and effect as required in this contract.

D. Failure on the part of the Contractor to meet these requirements shall constitute a material breach of contract, upon which the State of Arizona may immediately terminate this agreement or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, and all monies so paid by the State of Arizona shall be repaid by the Contractor upon demand, or the State of



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Arizona may offset the cost of the premiums against any monies due to the contractor. Costs for coverages broader than those required or for limits in excess of those required shall not be charged to the State of Arizona. Contractor and its insurer(s) providing the required coverages shall waive their rights of recovery against the State of Arizona, its Departments, Employees and Officers, Agencies, Boards and Commissions.

#### Usage Report

The contractor shall be required to furnish contract usage report(s) during the entire term of any resultant contract. The information contained in these reports and the accurate and timely submission thereof are critical components used by the State to determine actual contract usage by the individual State agencies and entities. The format of the report shall be approved by the state and shall disclose (as a minimum) the quantity and the dollar value of each contract item by individual purchasing unit. Said reports shall be supplied within the time frames specified at no additional cost to the State.

The usage report shall be due at the end of the 12-month period of the contract term. Failure by a contractor to submit accurate and timely usage reports against this contract may result in contract cancellation and possible determination(s) by the State as a non-responsive bidder concerning future solicitations.

#### Telephone Ordering Support

Contractor(s) shall accept collect telephone calls and/or provide and maintain a toll-free number for the state's procurement usage. The telephone number(s) are available on Attachment A included with this contract. Failure to maintain this service may be cause for cancellation of the contract.

#### State Contract Show Availability

As a statewide contractor, the vendor is eligible to participate in an exhibition of products and services for the state agency and eligible political subdivision personnel in a centralized event. The show has been in place since 1984 and regularly attracts over 200 booths and 500 state contract users.

#### Non-Exclusive Contract

Any contract resulting from this solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of the State of Arizona. The state reserves the right to obtain like goods or services from another source when necessary. Off-contract purchase authorization (SPO form 150) may only be approved by the State Procurement Administrator. Approval shall be at the exclusive discretion of the State Procurement Administrator and shall be final. However, approval shall be granted only after a proper review and when deemed to be appropriate. Off-contract procurement shall be consistent with the Arizona Procurement Code.

#### Contract Default

A. The State, by written notice of default to the contractor, may terminate the whole or any part of this contract in any one of the following circumstances:

1. If the contractor fails to make delivery of the supplies or to perform the services within the time specified; or
  2. If the contractor fails to perform any of the other provisions of this contract; and fails to remedy the situations within a period of ten (10) days after receipt of notice.
- B. In the event the State terminates this contract in whole or part, the State may procure supplies or services similar to those terminated, and the contractor shall be liable to the State for any excess costs for such similar supplies or services.

#### Contract Cancellation (Immediate)

This contract is critical to the State of Arizona and the state reserves the right to immediately cancel the whole or any part of this contract due to failure of the contractor to carry out any material obligation, term or condition of the contract. The state shall issue a written notice of default effective at once and not deferred by any interval of time. Default shall be for acting or failing to act in any of the following:

1. The contractor provides material that does not meet the specifications of the contract;
2. The contractor fails to adequately perform the services set forth in the specifications of the contract;
3. The contractor fails to complete the work required or furnish the materials required within the time stipulated in the contract;



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4. The contractor fails to make progress in the performance of the contract and/or gives the state reason to believe that the contractor will not or cannot perform to the requirements of the contract.

The state may resort to any single or combination of the following remedies:

1. Cancel any contract;
2. Reserve all rights or claims to damage for breach of any covenants of the contract;
3. Perform any test or analysis on materials for compliance with the specifications of the contract. If the result of any test confirms a material non-compliance with the specifications, any reasonable expense of testing shall be borne by the contractor.
4. In case of default, the state reserves the right to purchase materials or to complete the required work in accordance with the Arizona Procurement Code. The state may recover reasonable excess costs from the contractor by:
  - A. Deduction from an unpaid balance;
  - B. Collection against the bid and/or performance bond; or
  - C. Any combinations of the above or any other remedies as provided by law.

#### **Contract Termination (Convenience)**

This contract is for the convenience of the State and as such, may be terminated without default by the State by providing a written thirty day notice of termination.

the State reserves the right to increase or decrease any quantities actually acquired. No commitment of any kind is made concerning quantities. Each potential contractor should take this fact into consideration.



## Scope of Work

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#### Purpose:

The purpose of this RFP is to establish a term contract for private carrier package/mail delivery service – express and ground for the use by all state of Arizona Agencies, accounts and boards as well as the states eligible political subdivision customers (a.k.a. contract customers). Such services shall be on an as needed when needed basis. Estimated annual usage is as follows: Express deliveries – \$1.95 million for 182,000 pieces, Ground deliveries - \$505,000 for 70,800 pieces. The state makes no guarantee of the actual usage against any resultant contract. Further, the State may, at its sole discretion, utilize the United States Postal Service (USPS) for any services described herein without penalty or recourse by any resultant contractor(s). All potential contractors should take these facts into consideration.

The State's contract customers are defined as those State agencies (approximately 130 individual) and Eligible Political Subdivisions (approximately 400 individual) that are populated throughout the State. An example of this is the Arizona Department Of Transportation (State agency) or the City of Phoenix (Eligible Political Subdivision). This term type contract shall be provided in accordance with all specifications and terms and conditions contained herein, including such addenda thereto as may be issued prior to the public opening of this RFP.

#### Section I Scope of work:

The contractor(s) should be capable of handling all state of Arizona and eligible political subdivision customers (a.k.a. contract customers) domestic and international express small package air and ground delivery services, both outbound and inbound, including letter express delivery services. Any resultant contract(s) shall be based on a discount percent (%) off of the contractors established catalog/price list for all services contained therein, plus any nationally published fuel or other surcharges. Said contractor(s) shall be the primary carrier for the delivery services described herein. No interline (those where services are provided by a carrier other than the primary contractor) service providers shall be considered. The contractor(s) should be capable, at a minimum, of providing the following services:

- 1.0 Established catalog/price list: The contractor shall have an established catalog/price list (electronic, web based or hardcopy) that contains all shipping programs and the prices thereof for use by all contract customers. The contractor(s) shall be responsible for ensuring that all shipments made under any resultant contract shall be at the established catalog/price less all applicable discount percents (%) offered and accepted by the State. Further, it is desirable that contractor(s) be able to identify state contract customers to ensure that contract benefits are extended to eligible users and to facilitate usage reports as required in contract Special Terms and Conditions.
- 2.0 Small package ground delivery service: The contractor(s) shall be capable of providing domestic (48 contiguous states) shipments of packages weighing up to 150 pounds with deliveries, business to business, of 1 to 5 days depending on package destination (7 days a week, 365 days a year).
- 3.0 Express small package delivery service: The contractor(s) shall be capable of providing air and international express mail delivery shipments weighing up to 150 pounds with deliveries, business to business, as follows: 3<sup>rd</sup> day, 2<sup>nd</sup> day and overnight package delivery (7 days a week, 365 days a year).
- 4.0 Geographic Coverage areas: The contractor(s) shall be capable of providing delivery services to, from and between a variety of state, national and international locations within their published delivery schedules.
- 5.0 Customer Service: It is desirable that the contractor(s) designate a key customer service representative to provide assistance to state contract customers in order to resolve problems or disputes.
- 6.0 Online capabilities: The contractor(s) shall provide state contract users with all available web based resources for online tracking, scheduling or other activities, including required computer software installation and technical support, at no extra cost.

#### Section II General Requirements:

- 1.0 Drop Box/Regularly Scheduled Daily Pick-Ups: The contractor(s) shall, upon request by contract customers, provide either security containers (drop boxes, bins, etc.) at no additional cost to the State or provide regularly scheduled daily "inside pick-up schedules". If applicable, placement of drop boxes shall be arranged with the using agency's building manager. Containers shall be the responsibility of the contractor and must be maintained within the standards of the building manager. The state will not be responsible for containers. Collections from drop boxes shall be made 5 days a week, Monday through Friday (except State holidays). Collection will occur no earlier than 4:00 PM for drop boxes.





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- 2.0 Non-Scheduled Pick-Up Services: The contractor(s) shall, upon contract customer request, perform non-scheduled pick up services. The contractor(s) should pick-up packages within three (3) hours of notification and may agree to expand regularly scheduled pick-up service to additional sites as required.
- 3.0 Envelopes/Packaging/Labeling Supplies and Accessories: The contractor shall provide at no cost to the State, envelopes to utilize express mail. Envelopes must be of sufficient size to contain 8.5" x 11" sheets of paper, without folding, up to the weight limit for the various categories. Also, included shall be express pack boxes, express tri-tubes, bubble pack envelopes, magnetic tape boxes, forms, pick up registers, tags, documents, name and address stamps for computerized labeling systems, etc. necessary to record and identify the item being picked up for delivery at no additional cost to the State. Where warranted the contractor may provide additional facilitating equipment, including computer software, at no additional cost to the agencies.
- 4.0 Mailing addresses/delivery attempts/consignees signature verification: Mail piece addressing shall contain the street address and zip code for that street address. The street address shall be the delivery address. Users of this contract shall not use post office box addresses as the delivery address. The use of post office box numbers is reserved for mail transported by the United States Postal Service only.
- 5.0 The majority of shipments shall be classified as "inside delivery". In the event a contractor is unable to make a delivery of an item, a non-delivery notice is to be left at the consignees address stating a delivery has been attempted. The contractor must make two (2) additional attempts before returning the item to the shipper, unless instructed otherwise by the shipper.
- 6.0 The contractor shall be required to obtain the consignee's signature to show proof of delivery on those packages labeled as a "business interest" or commercial establishment.
- 7.0 Deliveries: The contractor shall be able to meet all delivery schedules contained in their established catalog/price list. The contractor shall maintain a minimum 98% on time delivery rate. Failure to maintain this delivery rate may result in termination of the contract.
- 8.0 Tracking and Tracing programs: The contractor(s) shall be capable of electronically tracking all shipment to ensure the safety and security of all customer shipments. Such programs shall have the ability to provide information no later than 2 hours after the first customer inquiry. Information from an inquiry must include acknowledgement of pick-up, acknowledgement of arrival at destination and final delivery.
- 9.0 Dangerous/Hazardous (or otherwise restricted) Material programs: The contractor shall be capable of providing customer information on the types of acceptable/transportable types of hazardous or unusual materials and the proper means as to the shipment and the prices thereof of such (in compliance with all state and federal regulations). Such programs shall also clearly state all types of such materials that the contractor is unable or unwilling to transport.
- 10.0 Loss or Damage to Shipment Programs: The Contractor(s) shall be liable for loss or damage to shipments as set forth in their established catalog/price list or service guide for domestic and international operations. This information is to be made available to all effected contract customers during the term of any resultant contract.
- 11.0 Concealed Damages Program: The contractor(s) shall have the ability to be contacted immediately by the using agency when concealed damages are encountered. The contractor shall inspect the damage including, but not limited to packing materials. If it is determined damages were incurred during shipment, the contractor shall assume responsibility.
- 12.0 Obligation for Payment of Fees and Taxes: The contractor(s) shall pay any and all inspection and license fees and taxes assessed or charged by any governmental authority (federal, state or municipal) for the transportation services rendered in this contract and shall indemnify and hold harmless Shipper from and against any and all liabilities and claims thereof and shall make all reports required with respect thereto.



# Pricing Schedule

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Domestic ground delivery service:  
(see Scope of Work section I paragraph 2.0. "To be used in the States evaluation of cost")

Discount Percent Off of Established Catalog Pricing:

1-5 lbs - 5% Minimum charges #3.23

6-10 lbs - 10%

11-20 lbs - 15%

21-150 lbs. - 20%

Minimum and Maximum allowable weight per package:

\_\_\_\_1\_\_ Min \_\_\_\_150\_\_ Max

MultiWeight Pricing is build as a table not as a percent off of list.

See MultiWeight table

Minimum Shipment Weight 200 lbs

Minimum Ave Package Weight 15 lbs

Minimum Charge \$42.50

Express package delivery service:  
(see Scope of Work section I paragraph 3.0. "To be used in the States evaluation of cost")

Discount Percent Off of Established Catalog Pricing:  
Domestic Expres – Approx 55% Discounts varies by services.

Please see Domestic Discount Chart and rate sheets

International – approx 49% discount

See International Discount Chart and rate sheets

Special Courier Pick Up Charges or Non Standard Pick-up Charges:  
(see Scope of Work section II General Requirements paragraph 2.0)

Discount Percent Off of Established Catalog Pricing:  
0%

**Special Handling fees & all other related established catalog/price list charges: Offeror to list discription and applicable discount percent off of established catalog pricing:**

**EXPRESS – Vol 2 page 29 & 30**

RESIDENTIAL DELIVERY CHARGE \$1.35 PER PACKAGE

SATURDAY PICK UP \$10.00 PER PACKAGE

SATURDAY DELIVERY \$10.00 PER PACKAGE

FEDEX COLLECT ON DELIVERY \$7.50 PER PACKAGE

ADDITIONAL HANDLING CHARGE \$5.00 PER PACKAGE

DELIVERY AREA SURCHARGE \$1.50 PER PACKAGE

ADDRESS CORRECTION \$10.00 PER PACKAGE

BILLING SPECIAL HANDLING FEE \$10.00 PER PACKAGE

SIGNATURE PROOF OF DELIVERY \$6.00 PER PACKAGE

**All Special Handling fees & all other related established catalog/price list charges:**

Discount Percent Off of Established Catalog Pricing: 0%



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ACCESSIBLE DANGEROUS GOODS \$60.00 PER PACKAGE

INACCESSIBLE DANGEROUS GOODS \$30.00 PER PACKAGE

DECLARED VALUE 0-\$100 – NO CHARGE  
\$100.01-\$500 - \$2.50  
\$500.01-\$50,000 - \$.50 PER \$100

FUEL SURCHARGE – May vary from month to month. Fuel surcharge can be found on the web site at [www.fedex.com](http://www.fedex.com)  
Changes to the fuel surcharge will be posted at least 2 weeks in advance.

### INTERNATIONAL SHIPMENTS – Vol. 2 page 47 & 48

COURIER PICK UP CHARGE - \$4 PER SHIPMENT

SATURDAY PICK UP/DELIVERY \$10.00 PER SHIPMENT

EXTENDED AREA SURCHARGE – GREATER OF \$20 OR \$.20 PER POUND.

BROKER ROUTING FEE – GREATER OF \$10 OR \$.50 PER POUND

STORAGE FEE PER DAY FOR SHIPMENTS LEFT IN A FEDEX FACILITY MORE THAN 48 HOURS – GREATER OF \$20 OR \$.20 PER POUND

ADDRESS CORRECTION - \$10 PER CORRECTION

BILLING - \$10 PER SHIPMENT

DECLARED VALUE - \$.40 PER \$100  
FOR SHIPMENTS VALUED OVER \$100

ACCESSIBLE DANGEROUS GOODS – GREATER OF \$90 OR \$.50 PER POUND

INACCESSIBLE DANGEROUS GOODS – GREATER OF \$45 OR \$.25 PER POUND

FUEL SURCHARGE – May vary from month to month. Fuel surcharge can be found on the web site at [www.fedex.com](http://www.fedex.com)  
Changes to the fuel surcharge will be posted at least 2 weeks in advance.

### **Ground Shipments, Volume 2 page 81**

COLLECT ON DELIVERY \$6.00 PER PACKAGE

Additional fees apply to CASH COD deliveries in the US as follows: \$6.00 or 2% of the amount to be collected when the amount

### **All Special Handling fees & all other related established catalog/price list charges:**

Discount Percent Off of Established Catalog Pricing: 0%



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exceeds \$300  
\$10.00 per package destined to a high-density ZIP.

US to Canada COS's will be collected in Canadian  
Currency

ELECTRONIC COLLECT ON DELIVERY \$6.00 PER PACKAGE

ECOD requires an additional weekly service charge of \$10.00 for 48  
hour service and \$35.00 for 24 hour services.

AUTO PROOF OF DELIVERY \$2.00 PER PACKAGE

ADDRESS CORRECTION \$5.00 PER PACKAGE  
For multiweight service, the first package is \$5.00 and each additional  
package is \$3.00 with a maximum total charge of \$35.00

FEDEX GROUND CALL TAG SERVICE \$5.00 PER PACKAGE

FEDEX GROUND RESIDENTIAL CALL TAG SERVICE \$7.00 PER PACKAGE

ELECTRONICALLY TRANSMITTED CALL TAG \$4.75 PER PACKAGE

AOD ACKNOWLEDGEMENT OF DELIVERY \$1.50 PER PACKAGE

HAZARDOUS MATERIALS SURCHARGE \$20.00 PER PACKAGE

WEEKLY SERVICE CHARGE \$7.00  
An additional charge of \$4 will apply to customers who ship less than  
\$60.00 in weekly charges.

DECLARED VALUE OVER \$100 M- valid account number required \$.035 PER \$100

Residential Package surcharge \$1.35  
An additional charge of \$1.50 will apply to residential pick ups and  
deliveries in rural areas.

ADDITIONAL HANDLING SURCHARGE \$5.00  
Applies to any package measuring more than 60 inches in length, or  
any article, pail or container not fully encased in an appropriate  
shipping container.

MISSING OR INVALID ACCOUNT NUMBER \$5.00 – An account  
number is invalid if it is not the correct account number for the bill-to-  
party, or it is the account number for present or third party who fails  
to pay the shipping charges

**All Special Handling fees & all other related established  
catalog/price list charges:**

Discount Percent Off of Established Catalog Pricing: 0%



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**FUEL SURCHARGE** - May vary from month to month. Fuel surcharge can be found on the web site at [www.fedex.com](http://www.fedex.com). Changes to the fuel surcharge will be posted at least 2 weeks in advance.

**All Special Handling fees & all other related established catalog/price list charges:**

Discount Percent Off of Established Catalog Pricing: 0%

**Download Rate and Service Guide:** [www.fedex.com/us/services/pdf.html](http://www.fedex.com/us/services/pdf.html)

**Download Current State Contract net rate schedule:** [sporas.ad.state.az.us/ContractInfo/index.htm](http://sporas.ad.state.az.us/ContractInfo/index.htm)



# Questionnaire

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### C. Telephone Ordering and Key Customer Service Support:

Long Distance Calls (see Special Terms and Conditions, Telephone Ordering Support)

Toll-free number for State's contract customers: **1-800-GO FEDEX**

Key personnel responsible for this account:

Cheryl Laney, FedEx Government Sales  
800-448-9961 Mail Box 8186  
[cjlaney@fedex.com](mailto:cjlaney@fedex.com)

Hope Green, FedEx Inside Sales  
800-448-9961 Mail Box 3679  
[thgreen@fedex.com](mailto:thgreen@fedex.com)

### D. Electronic Ordering System, Web-based/On-Line Methods (Special Terms and Conditions, Optional Discount Rates):

Offerors are to indicate whether Electronic Ordering System is available.

Yes XXXX

If yes, list System Used: Ship Manager at FEDEX.com additional discount percent off offered: 0 %

### State of Arizona Purchasing Card Program Option (Special Terms and Conditions, Optional Discount Rates):

Does the Offeror wish to participate?

Yes XXXX

If yes, indicate any additional discount percent offered (Indicate "0" or N/A if no additional discount is being offered): 0 %

# **End of Contract AD030018 - 001 Document**



## Contract Summary

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**CONTRACT TITLE:** Package Delivery Service - Express and Ground

**CONTRACT TYPE:** Statewide Contract

**CONTRACT PERIOD:** March 01, 2003

**THRU:** February 29, 2004

**CONTRACTOR NUMBER:** 362407381 - 900

**CONTRACTOR NAME:** United Parcel Service

**CONTACT NAME :** Reed Hall

**ADDRESS:** Suite 1205

3108 W Thomas

Phoenix, AZ 85017

**TELEPHONE:** (602) 233-4171

**FAX NUMBER:** (602) 233-4150

**CONTRACTING AGENCY:** State Procurement Office

**CONTACT NAME:** Pete Mahnke

**TELEPHONE:** (602) 542-9121

**PAYMENT TERMS:** Net 30 Days





# Uniform Terms and Conditions

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### 1. Definition of Terms

As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

- A. *"Attachment"* means any item the Solicitation requires the Offeror to submit as part of the Offer.
- B. *"Contract"* means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments; and any terms applied by law.
- C. *"Contract Amendment"* means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
- D. *"Contractor"* means any person who has a Contract with the State.
- E. *"Days"* means calendar days unless otherwise specified.
- F. *"Exhibit"* means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
- G. *"Gratuity"* means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
- H. *"Offer"* means bid, proposal or quotation.
- I. *"Offeror"* means a vendor who responds to any type of Solicitation.
- J. *"Procurement Officer"* means the person duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract or their designee.
- K. *"Solicitation"* means an Invitation for Bids (IFB), a Request for Proposals (RFP), or a Request for Quotations (RFQ).
- L. *"Solicitation Amendment"* means a written document that is authorized by the Procurement Officer and issued for the purpose of making changes to the Solicitation.
- M. *"Subcontract"* means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.
- N. *"State"* means the State of Arizona and Department or Agency of the State that executes the Contract.

### 2. Contract Interpretation

- A. Arizona Law. The law of Arizona applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.
- B. Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as fully stated in it.
- C. Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:
  - 1. Special Terms and Conditions;
  - 2. Uniform Terms and Conditions;
  - 3. Statement or Scope of Work;
  - 4. Specifications;
  - 5. Attachments;
  - 6. Exhibits;
  - 7. Documents referenced or included in the Solicitation.
- D. Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- E. Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.



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- F. No Parol Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document.
- G. No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

### 3. Contract administration and operation

- A. Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other records ("records") relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.
- B. Non-Discrimination. The Contractor shall comply with State Executive Order No. 99-4 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.
- C. Audit. Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.
- D. Inspection and Testing. The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes for producing the materials, at reasonable times for inspection of the materials covered under this Contract. The State shall also have the right to test at its own cost the materials to be supplied under this Contract. Neither inspection at the Contractor's facilities nor testing shall constitute final acceptance of the materials. If the State determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.
- E. Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice and an amendment to the Contract shall not be necessary.
- F. Advertising and Promotion of Contract. The Contractor shall not advertise or publish information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.
- G. Property of the State. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.

### 4. Costs and Payments

- A. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.
- B. Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all delivery and unloading at the destinations.
- C. Applicable Taxes.
1. Payment of Taxes by the State. The State shall pay only the rate and/or amount of taxes identified in the Offer and in any resulting Contract.
  2. State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect taxes from the buyer does not relieve the seller from its obligation to remit taxes.
  3. Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.
  4. IRS W9 Form. In order to receive payment under any resulting Contract, Contractor shall have a current IRS W9 Form on file with the State of Arizona.



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5. Availability of Funds for the Next Fiscal Year. Funds may not presently be available for performance under this Contract beyond the current fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current fiscal year until funds are made available for performance of this Contract. The State shall make reasonable efforts to secure such funds.

### 5. Contract changes

- A. Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract unless otherwise permitted by the Special Terms and Conditions. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by an unauthorized State employee or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.
- B. Subcontracts. The Contractor shall not enter into any Subcontract under this Contract without the advance written approval of the Procurement Officer. The Subcontract shall incorporate by reference the terms and conditions of this Contract.
- C. Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

### 6. Risk and Liability

- A. Risk of Loss. The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.
- B. General Indemnification. To the extent permitted by A.R.S. § 41-621 and § 35-154, the State of Arizona shall be indemnified and held harmless by the Contractor for its vicarious liability as a result of entering into this Contract. Each party to this Contract is responsible for its own negligence.
- C. Indemnification - Patent and Copyright. To the extent permitted by A.R.S. § 41-621 and § 35-154, the Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph.
- D. Force Majeure.
- Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.
  - Force Majeure shall not include the following occurrences:
    - Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;
    - Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or
    - Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.
  - If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.



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4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

E. Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

### 7. Warranties

A. Liens. The Contractor warrants that the materials supplied under this Contract are free of liens.

B. Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:

1. Of a quality to pass without objection in the trade under the Contract description;
2. Fit for the intended purposes for which the materials are used;
3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;
4. Adequately contained, packaged and marked as the Contract may require; and
5. Conform to the written promises or affirmations of fact made by the Contractor.

C. Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

D. Inspection/Testing. The warranties set forth in subparagraphs A through C of this paragraph are not affected by inspection or testing of or payment for the materials by the State.

E. Year 2000.

1. Notwithstanding any other warranty or disclaimer of warranty in this Contract, the Contractor warrants that all products delivered and all services rendered under this Contract shall comply in all respects to performance and delivery requirements of the specifications and shall not be adversely affected by any date-related data Year 2000 issues. This warranty shall survive the expiration or termination of this Contract. In addition, the defense of *force majeure* shall not apply to the Contractor's failure to perform specification requirements as a result of any date-related data Year 2000 issues.
2. Additionally, notwithstanding any other warranty or disclaimer of warranty in this Contract, the Contractor warrants that each hardware, software, and firmware product delivered under this Contract shall be able to accurately process date/time data (including but not limited to calculation, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations, to the extent that other information technology utilized by the State in combination with the information technology being acquired under this Contract properly exchanges date-time data with it. If this Contract requires that the information technology products being acquired perform as a system, or that the information technology products being acquired perform as a system in combination with other State information technology, then this warranty shall apply to the acquired products as a system. The remedies available to the State for breach of this warranty shall include, but shall not be limited to, repair and replacement of the information technology products delivered under this Contract. In addition, the defense of *force majeure* shall not apply to the failure of the Contractor to perform any specification requirements as a result of any date-related data Year 2000 issues.

F. Exclusions. Except as otherwise set forth in this Contract, there are no express or implied warranties of merchantability or fitness.

G. Compliance With Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.

H. Survival of Rights and Obligations after Contract Expiration or Termination.

1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.
2. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.



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### 8. State's Contractual Remedies

- A. Right to Assurance. If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions.
- B. Stop Work Order.
1. The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for a period of ninety (90) Days after the order is delivered to the Contractor, and for any further period to which the parties may agree. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.
  2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.
- C. Non-exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.
- D. Nonconforming Tender. Materials supplied under this Contract shall fully comply with the Contract. The delivery of materials or a portion of the materials in an installment that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.
- E. Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

### 9. Contract Termination

- A. Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.
- B. Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.
- C. Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body.
- D. Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the State without penalty or recourse. Upon receipt of the written notice, the Contractor shall immediately stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.
- E. Termination for Default.
1. In addition to the rights reserved in the Uniform Terms and Conditions, the State reserves the right to terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and



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maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

2. Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.
3. The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.

F. Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10. **Contract Claims**. All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

11. **Comments Welcome**. The State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments you may have. Please submit your comments to the State Procurement Administrator, State Procurement Office, 100 North 15th Avenue, Suite 104, Phoenix, Arizona, 85007.



# Special Terms and Conditions

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### Eligible Agencies (Statewide)

Any contract resulting from this solicitation shall be for the use of All State of Arizona departments, agencies and boards. In addition, eligible universities, political subdivisions and nonprofit educational or public health institutions may participate at their discretion. In order to participate in any resultant contract, a university, political subdivision, or nonprofit educational or public health institution must have entered into a cooperative purchasing agreement with the State Procurement Office as required by Arizona Revised Statutes 41-2642.

### Contract Type

Fixed price, term, indefinite quantity.

### Term of Contract (One Year)

The term of the resultant contract shall commence upon award or as specified in the award documents and shall remain in effect for one year unless terminated, canceled, or extended as otherwise provided herein.

### Contract Extension (Months)

The contractor agrees that the State of Arizona shall have the right, at its sole option, to renew the contract for supplemental periods of up to a maximum of 48 months. In the event that the state exercises such right, all terms, conditions and provisions of the original contract shall remain the same and apply during the renewal period with the exception of price (reference price adjustment provision).

### Established Catalog/Price List

This contract is based on the contractor's established catalog /price list for the commodities or services contained herein.

### Established Catalog Price; Definition

For the purpose of this contract, an established catalog price means the price included in a catalog, price list, schedule or other form that:

- Is regularly maintained by a manufacturer, distributor or contractor.
- Is either published or otherwise available for inspection by customers.
- States prices at which sales are currently or were last made to a significant number of any category of buyers or buyers constituting the general buying public for the materials or services involved.

On any contract where pricing is based on an established catalog or price list (see definition) such established catalog or price list must be provided by the contractor(s) as part of the bid package in hard copy form.

### Estimated Quantities (General)

This contract references quantities as a general indication of the needs of the State. However, the quantities shown are estimates only and the State reserves the right to increase or decrease any quantities actually acquired. No commitment of any kind is made concerning quantities. Each potential contractor should take this fact into consideration.

### Ordering Process

Upon award of a contract by the State Procurement Office, any designated agency, eligible political subdivision or eligible nonprofit educational or public health institution may procure the specific material and/or service awarded by the issuance of a contract release order/purchase order to the appropriate contractor. Each contract release order/purchase order must cite the correct Arizona contract number. The contract release order/purchase order for the awarded material and/or service that cites the correct Arizona contract number is the only document required by the agency to order and the contractor to deliver the material and/or service.

Any attempt to represent any material and/or service not specifically awarded as being under contract with the State of Arizona is a violation of the contract and the Arizona Procurement Code. Any such action is subject to the legal and contractual remedies available to the State inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.

### Credit/Purchasing Card Ordering

Any authorized agency may procure the specific material and/or service awarded by utilizing the card as a method of ordering/payment with the awarded contractor. The awarded contractor shall be responsible for ensuring compliance to all contract requirements (including contract pricing) for all credit/purchase card transactions made against any resultant contract(s).

### Optional Discount Rates



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The contractor(s) shall be responsible for disclosing and honoring all applicable discount rates contained herein (i.e. Purchasing Card, Electronic Ordering Systems, Quantity Purchase, Special Educational and Prompt Payment discounts) to state agencies/eligible political subdivisions. Disclosure shall be made during all verbal and written communications order conformations and on invoicing activities made under the resultant contract(s). Failure to disclose and include all applicable discount rates to contracted customers may result in contract cancellation.

**Billing Summary:** the Contractor(s) shall provide a monthly billing summary to each using agency, which identifies:

Each mail piece dispatched by tracking number.

Per piece cost by tracking number.

Per piece destination by tracking number.

Summary volume totals for agency mail pieces.

Summary totals of agency mail piece costs.

Agency summary listing destinations.

Summary of agency's piece volumes by department code or cost center. (if requested by agency, and if agency has submitted information in format as required by contractor).

Summary of agency mail pieces by weight category (optional if available).

The contractor(s) will be required to maintain all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting and other procedures specified by the State. Upon request, financial and accounting records shall be made available to the state of Arizona, and/or its designees, at any time during the contract period and any extension thereof.

**Compliance with Law:** The Carrier shall comply with all laws, rules and regulations (federal, state and municipal), that may have application to the transportation services provided for the Shipper, and shall indemnify and hold harmless the Shipper from and against any failure of the Carrier to comply with any such laws, rules and regulations, to the extent provided by law. The Shipper shall not be responsible to the Carrier for fines or penalties incurred by the Carrier or its employees for speeding, reckless driving or any other infraction or violation of the law, and Carrier shall hold harmless the state form and against any and all liability with respect thereto.

### Licenses

Contractor shall maintain in current status all federal, state and local licenses and permits required for the operation of the business conducted by the contractor.

### Safety Standards

All items supplied on this contract must comply with the current applicable occupational safety and health standards of the State of Arizona Industrial Commission, the National Electric Code, and the National Fire Protection Association Standards.

### Established Catalog Price, Updated or Amended Catalog/Price List to the Original:

The contractor shall supply, at no charge to the State, catalogs, price lists of covered items or notices of change to agencies and political subdivisions upon contract effective date, upon request, or as a new catalogs/price lists are incorporated into the contract. Any information supplied to requesting contract users must first be approved by the State Procurement Office (refer to Uniform Terms and Conditions, Advertising). Failure to do so may result in contract default and cancellation in accordance with Special Terms and Conditions, Contract Cancellation.

The contractor may request incorporation of a newly published, replacement catalog /price list, at any time during the contract period. Such request can only be pursued against the original publication(s) (those originally awarded to the contractor). Alternate catalogs or price lists shall not be considered. The state, at its sole discretion may allow the contractor to incorporate such newly published, replacement catalog/price list. The contractor shall request incorporation of any such newly published, replacement catalog/price list by providing the following:

1. A Formal request (on company letterhead) to incorporate a newly published, replacement catalog/price list. Such request shall also include:
  - Documentation showing the publication date and number (whichever is applicable) and revision level(s) thereof for all applicable catalogs and/or price lists to be incorporated.
  - Documentation disclosing all page numbers and item ranges of the catalog/price list to be considered (must remain within specified item grouping activities contained herein).
  - Documentation stating that the discount percent (%) shall remain the same as that originally awarded under the contract.





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- Documentation that provides clear and convincing evidence that the replacement established catalog/price list is to the original publication only (no alternate publications shall be considered).
- 2. Documentation/formal announcement from the contractor that re-affirms that the newly published or replacement catalog/price list meets the following criteria;
  - Is the official replacement to that awarded to the state.
  - Is one that is regularly maintained by a manufacturer, distributor or contractor.
  - Is either published or otherwise available for inspection by customers, and.
  - States prices at which sales are currently or were last made to a significant number of any category of buyers or buyers constituting the general buying public for the materials or services involved.
- 3. A copy of the newly published or replacement catalog/price list for the State's review and records.

All requests for incorporation of newly published, replacement catalog/price list shall be initiated 30 days in advance of any desired date of incorporation in order to allow the State sufficient time to make a fair and equitable determination to any such requests.

Changes in fuel surcharge levels shall be made available to contract customers a minimum of two weeks prior to implementation.

Incorporation of any newly published, replacement catalog/price list shall be the sole determination of the state and can only be incorporated by the issuance of a unilateral contract amendment issued by the state. If approved, the effective date of incorporation shall be as specified on the contract amendment document.

Failure by the contractor to provide or meet any of the above requirements shall result in the state not considering such requests. Further, any claims by the contractor as part of their submission found to be in error or falsified at any time during the contract period shall be subject to all legal and contractual remedies available to the state inclusive of, but not limited to contract cancellation, suspension, and/or debarment of the contractor.

### Price Reductions

Price reductions may be submitted to the state for consideration at any time during the contract period. The contractor shall offer the state a price reduction on the contract product(s) concurrent with a published price reduction made by the manufacturer to other customers. The state at its own discretion may accept a price reduction. The contractor shall request, in writing, a price reduction and provide the following:

1. A formal announcement from the manufacturer that the cost of the contract product has been reduced.
2. Documentation, i.e., published cost lists, from the manufacturer showing, to the satisfaction of the state, the actual cost reduction.
3. Documentation showing that the published cost reductions have been offered to other distributors.

### Contraband

Any person who takes into or out of, or attempts to take into or out of a correctional facility or the grounds belonging to adjacent to a correctional facility, any item not specifically authorized by the correctional facility shall be prosecuted under the provisions of the Arizona Revised Statutes. All persons, including employees and visitors, entering upon these confines are subject to routine searches of their person, vehicles, property of packages.

DEFINITION - A.R.S. § 13-2501

Contraband means any dangerous drug, narcotic drug, intoxication liquor of any kind, deadly weapon, dangerous instrument, explosive or any other article whose use or possession would endanger the safety, security, or preservation of order in a correctional institution or any person therein. (Any other article includes any substance which could cause abnormal behavior, i.e. marijuana, non-prescription medication, etc.)

PROMOTING PRISON CONTRABAND - A.R.S. § 13-2505

1. A person, not otherwise authorized by law, commits promoting prison contraband:



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- A. By knowingly taking contraband into a correctional facility or the grounds of such a facility; or
  - B. By knowingly conveying contraband to any person confined in a correctional facility; or
  - C. By knowingly making, obtaining or possessing contraband while being confined in a correctional facility.
2. Promoting prison contraband is a Class 5 felony.

#### Insurance

A. Without limiting any liabilities or any other obligation of the Contractor, the Contractor shall purchase and maintain, in a company or companies lawfully authorized to do business in the State of Arizona, and rated at least "A VII" in the current A.M. Best's, the minimum insurance coverage below:

1. Commercial General Liability, with minimum limits of \$1,000,000.00 per occurrence, and an unimpaired products and completed operations aggregate limit and general aggregate minimum limit of \$2,000,000.00. Coverage shall be at least as broad as the Insurance Service Office, Inc. Form CG25031185, issued on an Occurrence basis, and endorsed to add the State of Arizona as an Additional Insured with reference to this contract. The policy shall include coverage for:

Bodily Injury;

Broad Form Property Damage (including completed operations);

Personal Injury;

Blanket Contractual Liability;

Products and Completed Operations, and this coverage shall extend for one year past acceptance, cancellation or termination of the services or work defined in this contract;

Fire Legal Liability.

2. Business Automobile Liability, with minimum limits of \$1,000,000.00 per occurrence combined single limit, with Insurance Service Office, Inc. Declarations to include Symbol One (Any Auto) applicable to claims arising from bodily injury, death or property damage arising out of the ownership, maintenance or use of any auto. The policy shall be endorsed to add the State of Arizona as an Additional Insured with reference to this contract.

3. Worker's Compensation (Coverage A): Statutory Arizona benefits;

Employer's Liability (Coverage B): \$500,000.00 each accident;

\$500,000.00 each employee/disease;

\$1,000,000.00 policy limit/disease.

Policy shall include endorsement for All State coverage for state of hire.

The State of Arizona shall be named as an Additional Insured as its interests may appear.

The policy shall contain an Extended Claim Reporting Provision of not less than one year following termination of the policy.

B. The State of Arizona reserves the right to request and receive certified copies of all policies and endorsements within ten calendar days of contract signature.

C. Certificates of Insurance acceptable to the State of Arizona shall be issued and delivered prior to the commencement of the work defined in this contract, and shall identify this contract and include certified copies of endorsements naming the State of Arizona as Additional Insured for liability coverages. The certificates, insurance policies and endorsements required by this paragraph shall contain a provision that coverages afforded will not be canceled until at least 50 days prior written notice has been given to the State of Arizona. All coverages, conditions, limits and endorsements shall remain in full force and effect as required in this contract.

D. Failure on the part of the Contractor to meet these requirements shall constitute a material breach of contract, upon which the State of Arizona may immediately terminate this agreement or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, and all monies so paid by the State of Arizona shall be repaid by the Contractor upon demand, or the State of



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Arizona may offset the cost of the premiums against any monies due to the contractor. Costs for coverages broader than those required or for limits in excess of those required shall not be charged to the State of Arizona. Contractor and its insurer(s) providing the required coverages shall waive their rights of recovery against the State of Arizona, its Departments, Employees and Officers, Agencies, Boards and Commissions.

#### Usage Report

The contractor shall be required to furnish contract usage report(s) during the entire term of any resultant contract. The information contained in these reports and the accurate and timely submission thereof are critical components used by the State to determine actual contract usage by the individual State agencies and entities. The format of the report shall be approved by the state and shall disclose (as a minimum) the quantity and the dollar value of each contract item by individual purchasing unit. Said reports shall be supplied within the time frames specified at no additional cost to the State.

The usage report shall be due at the end of the 12-month period of the contract term. Failure by a contractor to submit accurate and timely usage reports against this contract may result in contract cancellation and possible determination(s) by the State as a non-responsive bidder concerning future solicitations.

#### Telephone Ordering Support

Contractor(s) shall accept collect telephone calls and/or provide and maintain a toll-free number for the state's procurement usage. The telephones number(s) are available on Attachment A included with this contract. Failure to maintain this service may be cause for cancellation of the contract.

#### State Contract Show Availability

As a statewide contractor, the vendor is eligible to participate in an exhibition of products and services for the state agency and eligible political subdivision personnel in a centralized event. The show has been in place since 1984 and regularly attracts over 200 booths and 500 state contract users.

#### Non-Exclusive Contract

Any contract resulting from this solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of the State of Arizona. The state reserves the right to obtain like goods or services from another source when necessary. Off-contract purchase authorization (SPO form 150) may only be approved by the State Procurement Administrator. Approval shall be at the exclusive discretion of the State Procurement Administrator and shall be final. However, approval shall be granted only after a proper review and when deemed to be appropriate. Off-contract procurement shall be consistent with the Arizona Procurement Code.

#### Contract Default

A. The State, by written notice of default to the contractor, may terminate the whole or any part of this contract in any one of the following circumstances:

1. If the contractor fails to make delivery of the supplies or to perform the services within the time specified; or
  2. If the contractor fails to perform any of the other provisions of this contract; and fails to remedy the situations within a period of ten (10) days after receipt of notice.
- B. In the event the State terminates this contract in whole or part, the State may procure supplies or services similar to those terminated, and the contractor shall be liable to the State for any excess costs for such similar supplies or services.

#### Contract Cancellation (Immediate)

This contract is critical to the State of Arizona and the state reserves the right to immediately cancel the whole or any part of this contract due to failure of the contractor to carry out any material obligation, term or condition of the contract. The state shall issue a written notice of default effective at once and not deferred by any interval of time. Default shall be for acting or failing to act in any of the following:

1. The contractor provides material that does not meet the specifications of the contract;
2. The contractor fails to adequately perform the services set forth in the specifications of the contract;
3. The contractor fails to complete the work required or furnish the materials required within the time stipulated in the contract;



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4. The contractor fails to make progress in the performance of the contract and/or gives the state reason to believe that the contractor will not or cannot perform to the requirements of the contract.

The state may resort to any single or combination of the following remedies:

1. Cancel any contract;
2. Reserve all rights or claims to damage for breach of any covenants of the contract;
3. Perform any test or analysis on materials for compliance with the specifications of the contract. If the result of any test confirms a material non-compliance with the specifications, any reasonable expense of testing shall be borne by the contractor.
4. In case of default, the state reserves the right to purchase materials or to complete the required work in accordance with the Arizona Procurement Code. The state may recover reasonable excess costs from the contractor by:
  - A. Deduction from an unpaid balance;
  - B. Collection against the bid and/or performance bond; or
  - C. Any combinations of the above or any other remedies as provided by law.

#### **Contract Termination (Convenience)**

This contract is for the convenience of the State and as such, may be terminated without default by the State by providing a written thirty day notice of termination.

the State reserves the right to increase or decrease any quantities actually acquired. No commitment of any kind is made concerning quantities. Each potential contractor should take this fact into consideration.



## Scope of Work

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#### Purpose:

The purpose of this RFP is to establish a term contract for private carrier package/mail delivery service – express and ground for the use by all state of Arizona Agencies, accounts and boards as well as the states eligible political subdivision customers (a.k.a. contract customers). Such services shall be on an as needed when needed basis. Estimated annual usage is as follows: Express deliveries – \$1.95 million for 182,000 pieces, Ground deliveries - \$505,000 for 70,800 pieces. The state makes no guarantee of the actual usage against any resultant contract. Further, the State may, at its sole discretion, utilize the United States Postal Service (USPS) for any services described herein without penalty or recourse by any resultant contractor(s). All potential contractors should take these facts into consideration.

The State's contract customers are defined as those State agencies (approximately 130 individual) and Eligible Political Subdivisions (approximately 400 individual) that are populated throughout the State. An example of this is the Arizona Department Of Transportation (State agency) or the City of Phoenix (Eligible Political Subdivision). This term type contract shall be provided in accordance with all specifications and terms and conditions contained herein, including such addenda thereto as may be issued prior to the public opening of this RFP.

#### Section I Scope of work:

The contractor(s) should be capable of handling all state of Arizona and eligible political subdivision customers (a.k.a. contract customers) domestic and international express small package air and ground delivery services, both outbound and inbound, including letter express delivery services. Any resultant contract(s) shall be based on a discount percent (%) off of the contractors established catalog/price list for all services contained therein, plus any nationally published fuel or other surcharges. Said contractor(s) shall be the primary carrier for the delivery services described herein. No interline (those where services are provided by a carrier other than the primary contractor) service providers shall be considered. The contractor(s) should be capable, at a minimum, of providing the following services:

- 1.0 Established catalog/price list: The contractor shall have an established catalog/price list (electronic, web based or hardcopy) that contains all shipping programs and the prices thereof for use by all contract customers. The contractor(s) shall be responsible for ensuring that all shipments made under any resultant contract shall be at the established catalog/price less all applicable discount percents (%) offered and accepted by the State. Further, it is desirable that contractor(s) be able to identify state contract customers to ensure that contract benefits are extended to eligible users and to facilitate usage reports as required in contract Special Terms and Conditions.
- 2.0 Small package ground delivery service: The contractor(s) shall be capable of providing domestic (48 contiguous states) shipments of packages weighing up to 150 pounds with deliveries, business to business, of 1 to 5 days depending on package destination (7 days a week, 365 days a year).
- 3.0 Express small package delivery service: The contractor(s) shall be capable of providing air and international express mail delivery shipments weighing up to 150 pounds with deliveries, business to business, as follows: 3<sup>rd</sup> day, 2<sup>nd</sup> day and overnight package delivery (7 days a week, 365 days a year).
- 4.0 Geographic Coverage areas: The contractor(s) shall be capable of providing delivery services to, from and between a variety of state, national and international locations within their published delivery schedules.
- 5.0 Customer Service: It is desirable that the contractor(s) designate a key customer service representative to provide assistance to state contract customers in order to resolve problems or disputes.
- 6.0 Online capabilities: The contractor(s) shall provide state contract users with all available web based resources for online tracking, scheduling or other activities, including required computer software installation and technical support, at no extra cost.

#### Section II General Requirements:

- 1.0 Drop Box/Regularly Scheduled Daily Pick-Ups: The contractor(s) shall, upon request by contract customers, provide either security containers (drop boxes, bins, etc.) at no additional cost to the State or provide regularly scheduled daily "inside pick-up schedules". If applicable, placement of drop boxes shall be arranged with the using agency's building manager. Containers shall be the responsibility of the contractor and must be maintained within the standards of the building manager. The state will not be responsible for containers. Collections from drop boxes shall be made 5 days a week, Monday through Friday (except State holidays). Collection will occur no earlier than 4:00 PM for drop boxes.



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- 2.0 Non-Scheduled Pick-Up Services: The contractor(s) shall, upon contract customer request, perform non-scheduled pick up services. The contractor(s) should pick-up packages within three (3) hours of notification and may agree to expand regularly scheduled pick-up service to additional sites as required.
- 3.0 Envelopes/Packaging/Labeling Supplies and Accessories: The contractor shall provide at no cost to the State, envelopes to utilize express mail. Envelopes must be of sufficient size to contain 8.5" x 11" sheets of paper, without folding, up to the weight limit for the various categories. Also, included shall be express pack boxes, express tri-tubes, bubble pack envelopes, magnetic tape boxes, forms, pick up registers, tags, documents, name and address stamps for computerized labeling systems, etc. necessary to record and identify the item being picked up for delivery at no additional cost to the State. Where warranted the contractor may provide additional facilitating equipment, including computer software, at no additional cost to the agencies.
- 4.0 Mailing addresses/delivery attempts/consignees signature verification: Mail piece addressing shall contain the street address and zip code for that street address. The street address shall be the delivery address. Users of this contract shall not use post office box addresses as the delivery address. The use of post office box numbers is reserved for mail transported by the United States Postal Service only.
- 5.0 The majority of shipments shall be classified as "inside delivery". In the event a contractor is unable to make a delivery of an item, a non-delivery notice is to be left at the consignees address stating a delivery has been attempted. The contractor must make two (2) additional attempts before returning the item to the shipper, unless instructed otherwise by the shipper.
- 6.0 The contractor shall be required to obtain the consignee's signature to show proof of delivery on those packages labeled as a "business interest" or commercial establishment.
- 7.0 Deliveries: The contractor shall be able to meet all delivery schedules contained in their established catalog/price list. The contractor shall maintain a minimum 98% on time delivery rate. Failure to maintain this delivery rate may result in termination of the contract.
- 8.0 Tracking and Tracing programs: The contractor(s) shall be capable of electronically tracking all shipment to ensure the safety and security of all customer shipments. Such programs shall have the ability to provide information no later than 2 hours after the first customer inquiry. Information from an inquiry must include acknowledgement of pick-up, acknowledgement of arrival at destination and final delivery.
- 9.0 Dangerous/Hazardous (or otherwise restricted) Material programs: The contractor shall be capable of providing customer information on the types of acceptable/transportable types of hazardous or unusual materials and the proper means as to the shipment and the prices thereof of such (in compliance with all state and federal regulations). Such programs shall also clearly state all types of such materials that the contractor is unable or unwilling to transport.
- 10.0 Loss or Damage to Shipment Programs: The Contractor(s) shall be liable for loss or damage to shipments as set forth in their established catalog/price list or service guide for domestic and international operations. This information is to be made available to all effected contract customers during the term of any resultant contract.
- 11.0 Concealed Damages Program: The contractor(s) shall have the ability to be contacted immediately by the using agency when concealed damages are encountered. The contractor shall inspect the damage including, but not limited to packing materials. If it is determined damages were incurred during shipment, the contractor shall assume responsibility.
- 12.0 Obligation for Payment of Fees and Taxes: The contractor(s) shall pay any and all inspection and license fees and taxes assessed or charged by any governmental authority (federal, state or municipal) for the transportation services rendered in this contract and shall indemnify and hold harmless Shipper from and against any and all liabilities and claims thereof and shall make all reports required with respect thereto.

	<h1>Pricing Schedule</h1>		<b>State Procurement Office</b> 100 N. 15th Ave Suite 104 Phoenix, AZ 85007-3223
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## Domestic Ground and Express Rate Proposal

### UPS Ground Commercial – Incentives Off Effective Rates

(All eligible accounts will receive discounts on all packages shipped automatically)

Weight	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
01-10 lbs.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11-20 lbs.	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%
21-70 lbs.	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%	7.9%

### Portfolio Tier Incentive

Each eligible package will receive an incentive per the following schedule based on a 52 week rolling average of eligible packages tendered to UPS. These incentives apply to all zones (except Hawaii, Alaska, and Puerto Rico). The band determination is based on the cumulative gross transportation charges per week (excluding accessories and surcharges, unless otherwise specified).

Gross Weekly Revenue Bands				
Services	\$0.01-\$5,459.99	\$5,460-\$7,500.99	\$7,501-\$10,749.99	\$10,750 and up
UPS Next Day Air Letter Service	0.0%	19.0 %	27.1 %	28.5 %
UPS Next Day Air Package Service	0.0%	16.4%	23.4 %	24.6%
UPS Next Day Air Saver Letter Service	0.0%	19.5%	27.8 %	29.2 %
UPS Next Day Air Saver Package Service	0.0%	14.1 %	20.2%	21.2%
UPS 2 <sup>nd</sup> Day Air A.M. Letter Service	0.0%	19.2%	27.4%	28.8%
UPS 2 <sup>nd</sup> Day Air A.M. Package Service	0.0%	21.7%	31.0 %	32.6%
UPS 2 <sup>nd</sup> Day Air Letter Service	0.0%	14.5%	20.7%	21.7%
UPS 2 <sup>nd</sup> Day Air Package Service	0.0%	18.5%	26.4%	27.7%
UPS 3 Day Select Package Service	0.0%	1.5%	2.1 %	2.6%
UPS Ground Commercial	0.0%	5.5%	7.8%	8.3%

**Minimum Net Charge:** Shipper agrees to pay the greater of the net charge based on the above incentives or the minimum net charge as defined below.

Service	Minimum Per	Zone	Base Rate
UPS 3 Day Select Package Service	Package	ALL	UPS Ground Residential Zone 002 1Lb.
UPS Ground Commercial	Package	ALL	UPS Ground Commercial Zone 002 1 Lb.

## Service Charges for Daily Pickup Accounts

The weekly service charge is based on a daily pickup account's weekly billing total, as reflected in the UPS billing system. The weekly billing total may not necessarily reflect all packages tendered during a calendar week.

If your weekly shipping expenditures total **\$0-\$14.99**, you are charged **\$16.00** per week.

If your weekly shipping expenditures total **\$15.00-\$59.99**, you are charged **\$11.00** per week.

If your weekly shipping expenditures total **\$60.00 or more**, you are charged **\$7.00** per week.

**Download Rate and Service Guide:** [www.ups.com/content/us/en/resources/service/download.html](http://www.ups.com/content/us/en/resources/service/download.html)



## Questionnaire

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#### Telephone Ordering and Key Customer Service Support:

Long Distance Calls (see Special Terms and Conditions, Telephone Ordering Support)

Toll-free number for State's contract customers: 1-800-742-5877 (1-800-PICK-UPS)

Key personnel responsible for this account: Mark Lanoue

Contact information: (telephone/email) 602-233-4171

#### Procedures for Adding an Account to the UPS contract:

United Parcel Service understands that every Arizona State agency, branch, subdivision, etc. shall be eligible to receive the discounts detailed herein. Below is a summary of how accounts currently not listed in the attachment may either set up a new UPS account, or how existing UPS accounts may proceed in attaching their account number to the agreement.

To set up a NEW UPS account: Call 1-800-742-5877 (1-800- PICK-UPS). A UPS associate will send the interested agency or client a shipping kit that will give all of the information needed to ship with UPS. Once a new UPS account number has been received, the client must then email Ms. Ronda Ramirez ([RondaRamirez@ups.com](mailto:RondaRamirez@ups.com)) so that the new account number can be added to the existing state agreement. Contract rates (as detailed above) will be available to newly eligible accounts the Monday following submission of account number information.

Should an agency, subdivision, or agency need to ensure their account is attached to the State of Arizona proposal, please contact Ms. Ramirez ([RondaRamirez@ups.com](mailto:RondaRamirez@ups.com)) for confirmation.

Package tracking can be furnished as detailed in document questionnaire, or through 1-800-742-5877.

Any service inquiries should be routed through the 1-800-742-5877 (1-800 PICK-UPS) number.



# **End of Contract AD030018 - 002 Document**